

5 January

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

Subject: Payment of Expenses Arising
Out of Emergencies

Reference: (a) Memorandum to the Director,
CIA, from Colonel Galloway,
dated 2 October 1947, Subject:
"Request for Authority to
Adopt Procedures for the
Establishment of More Secure

25X1C4c

1. The Office of Special Operations is implementing as rapidly as possible the authorizations granted by you in Reference (a) which provide OSO

25X1C4c

2. In a limited number of situations, we are confronted with what appears to be a case of hardship in that an employee is placed in the position of expending sums in excess of his salary and allowances to maintain himself and family at a particular location. The cause of such situations is through no fault of the employee, and, in most instances, arises outside of OSO or CIA. A typical case is one where the employee has been directed to proceed to his designated overseas post, and, through outside circumstances, is stopped at an intermediate point awaiting clearance to get into his area.

3. I am advised that under the present regulations applicable to OSO, there is no method by which such additional expenses, where warranted, may be paid by CIA. However, I am also advised that the Department of State has used a procedure for a number of years to afford relief in similar cases. This procedure is based on the Act of 10 June 1921, 42 Stat.

SECRET

Page No. 2

5 January 1948

that whenever any sum of money has been issued from the Treasury for the purpose of intercourse with foreign nations, the Secretary of State may make a certificate of the amount of such expenditure as he may think it advisable not to specify; and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended. Pursuant to that statute, the current Appropriation Act of the Department of State provides eleven million dollars for emergencies arising in the diplomatic and consular service, an unspecified portion of which may be expended upon the certificate of the Secretary of State in accordance with the above statute. The Appropriation Act as well as the Act of 5 July 1946, 60 Stat. 452, provides that the Secretary of State may delegate to subordinate officers, the authority vested in him by Section 107 of Title 31 U.S.C.A. pertaining to certification of expenditures. We are informed that such authority has been delegated to the Under Secretary of State.

4. Accordingly, I strongly recommend that in conjunction with the authority granted in Reference (a), and pursuant to 31 U.S.C.A. 107, there be delegated to the Assistant Director for Special Operations,

25X1C4a

intended that such authority be so exercised as to grant, in effect, to persons in travel status under normal conditions, actual expenses in excess of per diem allowances prescribed by regulations. It is anticipated that payments under such an authority would be made only in rare cases where it is established that personal loss has been suffered by an employee by reason of emergencies arising out of his services for CIA. I believe that the need for this delegation of authority exists only as to those cases which occur where the individual is involved in a transfer from one official station to another or is in a travel status.

Page No. 3

5 January 1948

5. If you wish to approve such a delegation of authority within the limitations listed above, an annual report of payments made under such authority will be submitted for your review. Space is provided below for your signature if you approve of the above.

FOIAb3b

DONALD H. GALLOWAY
Assistant Director for
Special Operations

APPROVED:

FOIAb3b

R. H. HILLENKOETTER
Rear Admiral, USN
Director of Central Intelligence

Date: 6 January 1948